

[14th December 1938]

* THE HON. SRI C. RAJAGOPALACHARIAR:—“ Sir, an impression may be created about the existence of an unequal and inequitable treatment, if we allow the last words of the previous speaker to be passed over without any comment. We have such varying personal laws that they should not be interpreted to mean and make out that the distinction is there with the intention of making a distinction between one community and another. As long as there are different personal laws, we have to provide rules for those different personal laws. For instance, even in the matter of the power to make wills, it took a long time for the Hindu community to get that right recognized. It was doubted whether there was any testamentary right at all. Then, take the case of the incidence of property. They are different in different classes. As was explained by the hon. Mover, the laws with regard to the testamentary alienation have differed whether it is survivorship or incidence of divided family. So if the testamentary system provided for the Hindus is different from that provided for the Indian Christians, which, by the way, is mostly based on that adopted by Europeans, it is not due to any attempt to make a discrimination between one community and another. This is not a ground for grievances being made out as discrimination of treatment. So I would urge on the Mover to unqualifiedly withdraw his motion without any sting in it.”

* MR. J. A. SALDANHA:—“ I would like to withdraw the words I used if such expression had caused any bitterness in the minds of my hon. Friends, and I beg leave of the House to withdraw my motion.”

The motion was by leave withdrawn.

B.—RESOLUTION.

IV.—REDUCTION OF EXISTING LAND REVENUE ASSESSMENT.

* SRI RAO BAHADUR N. R. SAMIAPPA MUDALIYAR:—
“ Mr. President, I beg to move—

‘ that this Council recommends to the Government that the existing land revenue assessment be reduced by 33½ per cent from fasli 1348 and also to cancel the G.O. No. 1238, Revenue, dated the 14th July 1933. ’

“ This resolution is a hardy annual which for the past one decade and more has been coming up for discussion in the Legislature of this Province year after year with an almost monotonous regularity. The question, however, has not acquired that staleness which one is apt to associate with a regularly recurring event. The question has as much vitality and force in it as it had when the resolution was first moved about ten years ago. In fact the necessity for affording relief to the land-owning community has with the passage of years become more and more urgent. Also, these never-failing annual resolutions have demonstrated the soundness of the biblical advice, ‘ Ask and it shall be given; knock and

14th December 1938] [Sri N. R. Samiappa Mudaliyar]

it shall be opened.' Our demands, when originally put forward, were attempted to be brushed aside by the then bureaucratic Government, as being of no force. But as years passed by, the justice of our claim came to be recognized and the much-maligned dyarchic Government granted a remission of two annas in the rupee, and kept it up with slight variations year after year. These concessions though coming nowhere near the relief required by the needs of the situation, were yet something to be thankful for.

"The people were eagerly looking forward to the 1st of April 1937, the date on which Provincial Autonomy was to be inaugurated in our Province. They expected that with the advent of a Government wholly responsible to the people the unbearable burden of land revenue would be substantially reduced. Your predecessors in office under the present system of Government, the Interim Ministers, gave a permanent reduction of 75 lakhs in the total land revenue of the Province. With the prominence which the land revenue question has been given in the Congress manifesto, we expected that immediately after the acceptance of office by the present Ministry, there would be an overhauling of the whole system of land revenue, with a substantial reduction in the burden which the land is to bear. You have now been in power for 18 months. There is still no sign of your having tackled this problem which is of vital consequence to the well-being of the millions of this Province. In fact you have gone back, if anything, on the state of affairs which obtained on the date of your coming into office."

* THE HON. SRI C. RAJAGOPALACHARIAR:—"May I request the hon. Member, through you, Mr. President, to address the Chair?"

MR. PRESIDENT:—"Yes, I was about to draw the hon. Member's attention to that."

* SRI RAO BAHADUR N. R. SAMIAPPA MUDALIAR:—"Thank you, Sir. What according to the order of the Interim Ministry was to be a permanent reduction, has been converted into a reduction for the year, leaving the future wholly uncertain. So, we are this day not in a position to know whether we are going to have any relief at all in the current fasli and in the years to come.

"This question of land revenue remission has been before the public for so long and has come up, as I said before, for discussion in the Legislature so frequently that there is hardly anything new which I can say in support of this resolution. It is needless for me to repeat how the commutation rate arrived at

[Sri N. R. Samiappa Mudaliyar] [14th December 1938]

in the last settlements of the various districts was based on prices prevailing in the post-War boom years; and how, therefore, that commutation rate cannot be a just basis during these years of depression. I can only state that the prices prevailing to-day are less than not merely the commutation rate but also the average prices of the standard year 1913-14. A reference to the latest issue of the *Fort St. George Gazette* would show that the prices of to-day are just about four-sevenths of the prices of 1913-14. A word about the peculiar season condition of this year would not be out of place. I refer to the cyclonic disaster which has overtaken certain parts of this Province, while in the remaining parts there has been a complete failure of the north-east monsoon. The distress, consequent on these two disasters must be well within the knowledge of the Government. I need not dwell further on this aspect of this question.

“ There is another point of view from which I should like this question of land revenue to be looked at. Is this a burden merely on the land owner? Is it a case only of reducing the margin of profit in the case of the more well-to-do land-owning class—a margin which, I submit, is non-existent? I hope, I will not be getting beyond my depths when I state that it is one of the elementary principles of economic laws that money cannot be static. The burden imposed on the land-owner is ultimately bound to affect the millions whom he feeds with the produce of his lands.

“ Sir, the Tanjore mirasidar has acquired an unenviable reputation of urging extravagant claims in the matter of land revenue. People who are of this view probably forget that it is the district which almost monopolizes the grain crops of this Province. The lands of other districts, as a rule, are unsuited for what might be termed industrial crops. Rice is the staple food of the people of this Province; and well over 75 per cent of the paddy crops of the south is confined to the Tanjore district, and every pie of taxation of these lands is really a tax on the food of the people. All the world over it is an accepted canon of taxation that the tax on foodstuffs is the most objectionable, and ought not to be resorted to. The objection from the point of view of the Congress to the tax on salt is based on the ground that salt is a natural product and that it is essential for the life of man. If you extend that analogy, does it not apply with equal force to paddy and other grain produce? Rice is as much a produce of nature and is as necessary as salt for human existence. Is it any wonder, then, that the Tanjore mirasidars who feed the mouths of the millions of this Province, should feel that the tax on an essential product should be as light as possible?

“ One other reason why the Tanjore mirasidar is more agitated than others is that by reason of the reclassification of the sources

14th December 1938] [Sri N. R. Samiappa Mudaliyar]

of irrigation, he has not been having the full benefit of the periodical remissions which have been granted in the past few years. In fact almost the whole of the benefit given by the one hand has been taken away by the other.

“Further at the time of the last settlement, the Settlement Officer, Mr. Jackson, after investigation, recommended the enhancement at various rates—some at 18 $\frac{3}{4}$ per cent, some at 12 $\frac{1}{2}$ per cent and some at 25 per cent according to the *taram* of the land. As this enhancement was very high, all mirasidars, irrespective of party predilections, joined and agitated, and even a no-tax campaign was started. The then Government reduced the increase only on the *tarams* of lands originally raised to a maximum of 25 per cent to 18 $\frac{3}{4}$ per cent and did not afford any relief to the other *tarams*. It is only logical that on the same principle the other *tarams* should also have had a corresponding reduction. The enhancement due to reclassification of *tarams* is estimated to be 15 per cent. Thus it will be seen that the enhancement made in the last settlement was not only not reduced on most of the lands, but also further enhancements were made according to the reclassification of *tarams*.

“It may be said that the raising of the *taram* is due to the construction of the Mettur Dam. I say, Sir, that the Government cannot with justification put forward that plea with regard to the old delta. It is the duty of the Government to incur the necessary expenditure. I am fortified in this view, Sir, by the majority report of the Estates Land Act Committee of which the Hon. the Minister for Revenue is a Member, and which has come to the conclusion that it is the duty of the zamindars to spend the necessary amount in that direction. If that is so, in the case of rent collectors and men like the zamindars, does it not follow that in the case of mirasidars, it is the duty of the Government to repair and improve the irrigation facilities, and in this case it is infinitely stronger and more imperative? Further the construction of this dam is anything but an unmixed blessing. It might be true that the old delta can expect water without depending on the vicissitudes of the season; but it has completely stopped the flow of silt and the mirasidars have been put to the necessity of spending more on manure.

“Further the Tanjore district is the most heavily taxed district in the whole world. The percentage of tax in relation to gross produce is 8.3 in United Kingdom, 4.8 in France, 3.0 in Germany, 4.9 in Austria, 7.0 in Italy, 2.8 in Belgium and Holland and 5.0 in India. In India, Madras is heavily taxed. The incidence of land revenue per cultivated acre in ryotwari area in India is Rs. 2-8-11 in Madras, Re. 1-5-7 in Bombay, Rs. 1-12-8 in the United Provinces, Rs. 1-8-6 in the Punjab, Rs. 1-12-6 in Bihar and Orissa, As. 12 in the Central Provinces

[Sri N. R. Samiappa Mudaliyar] [14th December 1938]

and Rs. 1-15-8 in Assam. In the Madras Presidency the average tax per acre in the Tanjore district is 7-4, in West Godavari it is 5-7, in South Kanara it is 5-1, in East Godavari it is 5-0 and so on. Before the first settlement in 1892, the land revenue of the Tanjore district was almost 39 lakhs (vide Mr. Clarke's Report, page 59). By the first settlement it was raised to 55 lakhs (vide actual figures given in paragraph 51 of Mr. Jackson's report). After the resettlement in 1922, it is 71½ lakhs. This is only regular assessment without cesses, and you can see, the increase is about 80 per cent. Before 1922, the cess was only 6-25 per cent. After the settlement it rose up to 11-12 per cent. Including cess, the demand for Tanjore district will be about 79 lakhs, double of what it was before 1892. From this it will be seen that the cry of the mirasidars of Tanjore is a real cry due to the inability to bear the burden, not vociferous for its own sake, nor a political stunt; I may assure the Treasury Bench that it is also not with a view to embarrass the Government. In this connexion I wish to draw the attention of the House to the very helpful and sympathetic remarks made yesterday by our hon. Friend, Mr. D. M. Reid, in the annual meeting of the Madras Chamber of Commerce. And I take this opportunity to thank him for the valuable ideas offered and for his interest in, and sympathy for the agricultural population, and the advancement of the Province.

“Sir, in conclusion, may I appeal to the Treasury Bench not to treat this matter as a party question but accept the resolution in the spirit in which it is moved and afford the much-needed relief to the poor millions of this Province?”

12-15 p.m. * SRI RAO BAHADUR M. RAMAKRISHNA REDDI:—“Mr. President, I rise to second the resolution moved by my hon. Friend, Mr. Samiappa Mudaliyar, just now. It is admitted on all hands that the Indian cultivator is perpetually poor and always on the brink of starvation, agriculture in India being more a method of life than a paying industry. If you look into the history of the . . .”

* MR. J. A. SALDANHA:—“I rise to a point of order, Sir. We cannot hear the speech of the hon. Member. I have not also heard the speech of the hon. Mover of the resolution. It will be better if the hon. Member speaks loudly.”

MR. PRESIDENT:—“Yes, the hon. Member will raise his voice.”

* SRI RAO BAHADUR M. RAMAKRISHNA REDDI:—“If you look into the history of the ryotwari system in this Presidency, Mr. President, you will be convinced of the fact that the

14th December 1938] [Sri M. Ramakrishna Reddi]

various rulers have from time to time added to the burden of the tax-payer during their regime. For instance, in the history of India, you will find that the Hindu Rajas allowed the ryots to pay the taxes to the State in kind, that is, one-sixth of the produce was given to the State towards land assessment. The ryot never cared about the fact as to how much he had to pay to the Government. He used to distribute in the field itself: one-sixth share to the Government. He had a very happy life in those days; he had only to think about the maintenance of his family; and he had no need to worry himself about the method of payment of the Government's share. If he raised the maximum crops, he gave more to the Government and if he got less, he gave only less. He never bothered himself with regard to the amount he had to pay to the Government. After the Hindu period the Muhammadan rulers came into power. They also allowed the ryots to pay the assessment in kind and never insisted that it should be paid in cash. The option was given to the ryot to pay it in cash if it was profitable for him to do so, or in kind, otherwise. A conference of leading ryots in each taluk was called to fix the price of the produce at a particular time. After the Muhammadan rule, the British came in. They introduced a number of changes. The first change they effected was with regard to the system of payment in cash in lieu of payment in kind. They insisted that the tax should be paid in cash whether the crop was good or bad. The result of this was that the ryot had to struggle hard to find funds to pay the assessment. The prices were low, but they had to pay the amount fixed by the Government. In those days the ryot had no difficulty in giving the one-sixth share to the Government. Now, whether there is produce or no produce, he is bound under the regulations to pay cash, whether he has money or not. Again, the Government substituted a tax on occupation for a tax on cultivation. In those days matters were different. If, for instance, a ryot had 50 acres and he cultivated only 40 acres, he had to pay only on the 40 acres cultivated by him and not on the whole area under his possession. Now, as I said, matters are different. The Government say that the *dhittam* system has been abolished and that the ryots should pay for all the lands in their possession and not merely for the lands actually cultivated by them. Not merely that. Rains or no rains, the charge is made on the entire holding. How can one cultivate his land when there is no water available? It is a physical impossibility also for any ryot, however rich, to cultivate all the lands under his control. And yet he is made to pay for all the lands in his possession. That is a change which this Government introduced.

“The other change they introduced was by bringing in the Settlement department. The Government appointed a Settlement

[Sri M. Ramakrishna Reddi] [14th December 1938]

department and ordered its officers to go from district to district measuring the entire area. That department was further asked to classify the lands according to the soil and the produce, and then fix the price of the produce. With these facts as the basis, they were also asked to fix the assessment for each survey number in a district. Sir, they have not taken all the facts into consideration. They took the average rainfall in a given place. For instance, in Salem, suppose they took 50 inches as the average rainfall and decided that if Salem got in a whole year about that rainfall, it must be said to be satisfactory for that district. In this calculation they never took into account the fact that rains are of no use if they are not seasonal. They may have rains in a particular month when they are not wanted and they may not have rains in another month when they are most wanted for cultivation purposes. Non-seasonal rains are sometimes positively injurious to the crops, besides being not helpful. For instance, if at the time of the harvest there are rains, they will cause much damage to the crops standing in the fields. So that, even though you may have the usual average rainfall, if it is not seasonal, it is no good. Therefore you cannot take consolation from the fact that a particular district got its average rainfall. You should also take into consideration the period when the rain fell. In some districts, they get plenty of rain. But what does it do? It washes away fertile paddy fields. So, in this matter you have to see whether the rains which a district gets have been seasonal or whether they are detrimental to the crops. To put it in short, a favourable season depends not only on the quantity of rain, but chiefly on its proper distribution according to seasonal requirements.

“The Settlement department have not taken into consideration the labour of the members of the ryot's family. Supposing there is a family of ten members. All of them go to the field and work and contribute their labour towards cultivation. No doubt in times of emergency they also employ some outside labourers. The Settlement department ignored altogether the actual labour turned out by the members of the ryot's family and they never gave credit to the family for this with the result that the members of the family have been left to their fate. As a matter of fact, the landholder and his family members go and work in the fields of their own, and they consider it beneath their dignity to go and work for other people in other fields. But this wonderful department never took into account this item of work contributed by the landholder and his family members. This is another mistake committed by the Settlement department.

“And then about the commutation, my hon. Friend the Mover has spoken at considerable length. The department has not taken into consideration the actual price of paddy at a

14th December 1938] [Sri M. Ramakrishna Reddi]

particular season. The price may be low at the time of the harvest and may be high at the time when the assessment is collected. They never paid any attention to this question, but fixed a uniform rate for the whole district at a particular season. This therefore works havoc on the ryots.

“ The first settlement took place in the district of Salem under the supervision of Colonel Read in 1792. This gentleman then went from district to district making settlement. The effect of settlement and resettlement was an increase in the assessment. Each resettlement meant an increase of 25 per cent or 30 per cent in the assessment. Settlement parties had pre-conceived notions; even before they took up a district they had decided at what rate they should increase the tax there. They went about like machines from district to district and regularly and systematically increased the assessment, with the result that the ryots are now struggling hard against these taxes. What is happening now is that when the month of December comes, the poor ryot goes to the money-lender, borrows and pays the dues to the Government. He does not pay out of the income he gets from the land. If you take statistics, you will find that within the last 50 years lands have changed hands many times. The ryot having once borrowed finds it difficult to raise money a second time and sells his land away. The same fate overtakes the man who bought the land from him and so on. This is the miserable plight of our cultivators. All this misery is caused by the wonderful ryotwari system now prevailing. Therefore, Sir, unless the Government change the present policy, I am afraid, all the agricultural population will become insolvent.

“ Sir, during the period when the Interim Ministry was functioning a committee was formed and it recommended that a remission of 75 lakhs must be granted *permanently*. But the present Government, the people's Government, said that they cannot give a permanent remission of 75 lakhs, but only a temporary remission. Even as regards this, there is one matter to which I wish to draw the attention of Government. Intimation about this remission is not now given in time. District officers may be informed sufficiently early about this. As a matter of fact in my district the decision of the Government in regard to this matter has not yet been given effect to. Some of us have already paid the first instalment of kist. Till now we have not received the orders of the Government with regard to the percentage of remission. The usual amount is collected even in the third instalment and only at the time of paying the fourth instalment, information with regard to remission is given and the amount deducted. The majority of the ryots are not aware of the intentions of the Government and somehow go on paying most of the instalments fully. My only request to the

[Sri M. Ramakrishna Reddi] [14th December 1938]

Government in this connexion is to give sufficient notice to the ryots about the percentage of remission they have granted, so that they may deduct it even from the first instalment. As the average ryot does not know the rules it is very easy for the karnams and others to swindle the ryots. It is not difficult for the Government to issue an order in time. If they do so it will go a long way in easing the difficulties of the ryot population in general.

“Then, Sir, I wish to enquire why the Government are making a temporary remission. Why should not they give that which they are going to give, permanently? Why should they not tell before hand the amount of remission each ryot may expect every year? If this is done the ryot will keep with him the amount due from him ready and in good time. Otherwise there is the danger of this sum being eaten away by a third party and the ryot will not get the full benefit.

“The ryotwari system of assessment is based upon executive orders. The other day my Hon. Friend the Minister for Revenue was able to tell us that he was going to place before the Legislature an Estates Land Act Amendment Bill. He has taken care to see that the condition of the ryots in zamindari areas is improved. As a matter of fact a committee was actually constituted to consider these questions and they have drawn up a scheme which will be placed before us, I think, next month.

12-30
p.m.

“I would ask my Hon. Friend, Mr. Prakasam, to tell us what he is going to do with regard to ryotwari tenants. He has not told us whether he has got any definite proposals with regard to any legislation for giving relief to the ryotwari tenants. When he has taken so much trouble to appoint a committee to go into the question of land revenue assessment in the case of zamindari areas, he is not pleased to tell us what he is going to do for lowering the rates of assessment in regard to ryotwari areas. May I not ask him, Sir, whether he was not one of those who protested against the land revenue policy that has been adopted in this Province for a long time past? Possibly, in the report made by the Estates Land Act Committee they might have made a proposal to lower the rates of assessment by more than half. If that is so, may I ask whether it is not fair that my Hon. Friend, Mr. Prakasam, should also take up the cause of the ryotwari tenants, and bring in legislation to reduce the land revenue assessment by at least 33½ per cent? It does no good if the Government come and say that they have reduced the rate for this year or for that year. I would ask him to fix the rate permanently by means of legislation, so that the Executive may not pass orders each and every year according to their whims and fancies. So I would request the Government to consider this question sympathetically; and accept this resolution that is before this House.”

14th December 1938]

* SRI RAO BAHADUR N. R. SAMIAPPA MUDALIYAR:—
“ May I request you, Mr. President, to allow me to clear some doubts about the resolution that I have moved? ”

MR. PRESIDENT:—“ You can do that . . . ”

* SRI RAO BAHADUR N. R. SAMIAPPA MUDALIYAR:—
“ Sir, the discussion will go on a wrong assumption if I do not clear those doubts. My resolution may be taken as consisting of two parts. The first is that ‘ this Council recommends to the Government that the existing land revenue assessment be reduced by 33½ per cent from fasli 1348 for the whole Province ’; and the second is that ‘ G.O. No. 1238, Revenue, dated the 14th July 1933, be cancelled.’ This Government Order relates to Tanjore district alone. That is to say, when the last settlement was made, the Settlement Officer made a report that the *taram* of the lands should be automatically raised as soon as the Mettur dam was constructed, and the Government have issued orders to give effect to that portion of the report. My submission to the Council is . . . ”

THE RT. HON. V. S. SRINIVASA SASTRI:—“ Mr. President, I wish to raise a point of order which is of very great importance. The hon. the Leader of the Opposition seems to make a supplementary speech. I thought he was merely offering a personal explanation, but if it is more, I am afraid, it will be creating a very inconvenient precedent and you, Mr. President, will be in great difficulty in regulating the procedure of this House.”

MR. PRESIDENT:—“ That is all right. That will do.”
(Referring to Mr. Samiappa Mudaliyar.)

* DR. P. J. THOMAS:—“ Mr. President, Sir, I am in great sympathy with the motive behind this resolution. There are two parts in the resolution. The first is that the rate of land revenue should be reduced by 33½ per cent and the second is that G.O. No. 1238, Revenue, dated the 14th July 1933, should be cancelled. I am only concerned with the first part of the resolution, i.e., the reduction of assessment by 33½ per cent. One must sympathise with all attempts at reducing the burdens on agriculturists, because throughout India and particularly in this Province the agriculturists are sharing larger tax-burdens than other classes of people. So, all measures calculated to give relief to this class of people would be welcome and I may assure my hon. Friend the Leader of the Opposition that I would support such measures. But when it comes to the mode of carrying out his intention, I fear that the proposal made by him is not suitable and may not lead to any great improvement in our

[Dr. P. J. Thomas] [14th December 1938]

whole system of land revenue. I shall explain why it is so. The real fault of our land revenue system is not that it is uniformly burdensome. I cannot support the hon. Members of this House and others who opine that a general reduction of the land revenue is necessary. In several districts, particularly in certain dry areas, the rate is very low. Investigations made recently by my students and myself go to show that the land revenue burden is between 15 to 30 per cent of the net income from land, while the Government demand is 50 per cent in theory. We may remember that this calculation was made after the prices fell. Although I agree that paddy areas have been comparatively more hit than certain other areas by the depression in prices, some of those areas like Tanjore have an assured crop on account of the large irrigation works carried out by the Government in the past. There may perhaps be certain classes of land and certain classes of landholders in Tanjore bearing heavy revenue burdens, but the burden on lands properly utilized is not too heavy and there is no general case for reduction of assessment. Taking the middling tarams of the land in the Tanjore district, it cannot be maintained that the present rate is more than half the net income; in most cases it is only a third of the net income. Those landholders who carry on a proper rotation of crops, e.g., paddy in one season, plantain in the following season, and betel in another season, cannot claim that their assessment is high. Again take the case of tobacco, chillies or other commercial crops. In many such cases, the assessment is a flea-bite. I know of tobacco land in South Arcot district which fetches a net income of Rs. 2,000 per annum and its sale value is Rs. 10,000 per acre. The assessment is Rs. 10 or Rs. 15. I cannot see why such crops should not bear heavier burdens. Therefore I would submit that merely to reduce the assessment by one-third or one-half is not going to make the revenue burden equitable. We need a more rational approach to this problem. A land revenue of Rs. 7 crores cannot be too high a burden for an agricultural province with more than 46 million people. The question is one of raising it equitably so that no land may be overtaxed.

“Here I may say in parenthesis that the analogy drawn between salt tax and land revenue is beside the point. Salt is a Government monopoly in India. Whatever price is fixed by them we have to pay; therefore the price of salt is affected by salt duty. But the price of paddy is not affected by the rate of assessment. The assessment per acre may be Rs. 10 or Re. 1 per acre. That does not go into the price normally. The price of agricultural produce is determined by supply and demand. So the analogy to salt revenue does not hold. The case is entirely different.

“On a previous occasion I pointed out in this House that the real defect of our system was that we were taxing the land and

14th December 1938] [Dr. P. J. Thomas]

not the crop. This is the cause of the inequity. We have to change this principle. We must somehow introduce the idea of taxing the crop and thus the income of the man rather than the acreage held. Secondly the revenue burden varies from time to time. It is low in periods of high prices, but becomes heavy when prices go down or crops partially fail. There is a cyclic phenomenon working, both in regard to prices and in regard to seasons. Booms and slumps recur. Similarly weather conditions also go on repeating and there is a periodicity in crop failures. For instance, in the Ceded districts, only once in three years, generally, is the crop good. In certain other regions, crops fail once in three years by drought or excess of rain. In the irrigated tracts and the river deltas, crop failures are not too frequent. Revenue remissions are given only if crops fail so badly that the crop outturn is below 4 annas in the rupee. This is not helpful. The revenue must be made to depend on the actual economic position of the year, by some device. The Government demand must also vary according to the price-level. The need for this was felt especially in the time of the recent depression. The time for urging such a claim is now past. What we now need is a thorough re-organization of the whole system. No good purpose will be served by making a percentage reduction of land assessment. A percentage reduction may give an undue advantage to many landholders; the really deserving ones will not get the relief and excessive inroads will be made into the Government's finances.

"I may take this opportunity to urge that the attitude of our politicians and public men towards land revenue has to be revised. When the question of relieving the agriculturist of his burdens is considered, the first thing that they think of is to call for a reduction of land revenue. But the most grievous burden is not land revenue; after all this is a payment for the upkeep of the State. Relief must come in regard to marketing of produce, raising of loans, etc. The toll of the money-lender and the middleman is heavy and less justified than the tax paid to the State. In spite of the Agriculturists' Relief Act, many ryots have to pay high rates of interest for their loans. In some cases, even conditional sales are resorted to for raising loans. The statutory rate of 6 per cent does not seem to be operative. The assistance now needed by the agriculturist is in regard to the reduction of marketing charges and money-lenders' dues, and this must be the Government's first concern. We must also try in every manner to increase the income of the ryot. I would like to see many measures being put into operation for increasing the income from agriculture. All this seems urgent. By reducing land revenue, the chances of carrying out such measures will become smaller.

"Neglecting these obviously urgent matters, people often talk of reducing the revenue; others talk of raising prices by some

[Dr. P. J. Thomas] [14th December 1938]

artificial means. With all deference to the Hon. Minister for Revenue, I maintain that the manipulation of currency will do little good to the agriculturist; it may perhaps give some temporary advantage to some classes; it cannot give any real help. Indeed land revenue reform is needed; I do not question that. But the reform must go much beyond concession. The interim Government decided, and the present Government have granted, a revenue remission of Rs. 75 lakhs. In my opinion, this has been a wrong move. The reform must be a comprehensive one, and must be decided on after due consideration. Perhaps an enquiry is needed, although not by a Parliamentary Commission of the kind which has just concluded its labours. On these labours, I hope to have an opportunity before long to express an opinion. I do hope that the Hon. the Revenue Minister is carrying out an enquiry, a departmental enquiry, although no clear indication of it has been given yet.

“The question before us is not merely one of readjusting land revenue burdens. It is much bigger—that of adopting a suitable budget system. If land revenue is to be reformed on the lines suggested by me, there will be variation of revenue from year to year, and therefore our present budget system must also be reformed. Already some western countries like Sweden, have abandoned the old rigid budget system. In prosperous periods, they are able to raise large revenues and they spend part of it in bad years when revenue is poor. Some funds are set apart for certain important purposes and from this they draw in lean years. I very much appreciate the principle behind our rural water-supply fund. I hope that this principle will be considerably extended by raising more revenue in periods of high prices and prosperity and adding a portion to the consolidated fund to be spent in lean years. With such budget arrangements, land revenue can be adjusted to prices and to seasons. They will enable us to raise large revenues in prosperous years and keep a part for lean years. This is the fundamental problem; there is no use of tinkering with it. While sympathising with the objects of the resolution, I therefore am unable to support it, but I do hope that the Government will give the whole question its earnest attention.”

* KHAN BAHAUDUR SIR MAHOMED USMAN SAHIB BAHADUR :—“Mr. President, I would be very glad if it is possible for me to give my support to this resolution. Anything that goes to relieve the burden of taxation, is a great blessing to the ryot. But the whole question is: is it possible for Government to do it at the present juncture? The reduction of land revenue assessment by $33\frac{1}{3}$ per cent will, I am sure, make the administrative machinery crumble to pieces. Further we ought to remember that Prohibition has been introduced in this Province. That means we have to lose a great deal of revenue,

14th December 1938] [Sir Mahomed Usman]

excise revenue. With the loss of excise revenue, if we are going to lose even the revenue from land, the question is, is it possible for the Government to carry on the administration? The Prohibition policy has been adopted by the present Government with the support of almost all the parties, with the support of practically all the Members of this House. Therefore I think we should see that nothing is done which will make Prohibition fail in any way whatever. Prohibition has been a success in Salem; it has been introduced in two other districts this year; I am sure that it is going to be a success there also. We are all very anxious that Prohibition should be introduced into more districts as early as possible, because it will bring joy and happiness to the poor people and will raise the moral standard of this Province. For the sake of this high ideal, I think we can afford to lose the excise revenue. If you say that the Government should lose the land revenue also, what will happen is, the Government might perhaps think of revising their Prohibition policy. I am sure the Hon. Prime Minister will never do so, and the country will resent any such thing. From the point of view of one who has some experience of administration, I think that this resolution is not at all practicable. On account of floods and famines, the Government will have to give generous remissions of land revenue for several areas. It will not be possible to do so, if a general reduction by $33\frac{1}{3}$ per cent is given as demanded by the resolution. I am sorry I am unable to give my support to this resolution as it is impracticable and irresponsible."

* MR. J. A. SALDANHA:—"Sir, so far as my district of South Kanara is concerned, I have to support this resolution strongly. The history of the revenue administration of South Kanara has been one of distress and disaster. When the British Government conquered and took possession of the district after the fall of Seringapatam on the death of Tippu Sultan, they found that the revenue assessment was very high on account of wars that had been carried on by him. The first Collector of the district went very sympathetically into the matter and fixed the assessment somewhat less than what was levied by Tippu Sultan. All measures were adopted to give relief to the people. But after all, the Government wanted to keep up the land assessment at a high level, because it was necessary for their own purposes. In the year 1831, the matter went to such a critical condition that the people *en masse* had recourse to civil disobedience. South Kanara and North Kanara resorted to civil disobedience and they refused to pay the land tax. That was in 1831. Then the Government opened their eyes; they sent a special officer to enquire into the grievances of the people; that gave some amount of relief to the people; people became contented and the assessment was kept at that level till the year 1899. Then there was survey

[Mr. J. A. Saldanha] [14th December 1938]

and settlement of the district in the modern sense for the first time; the assessment was increased on an average to something like 60 or 68 per cent in the year 1902. In spite of protests from all classes of people, in the face of opposition from all sides, the Government found it necessary to fix the assessment at a very high figure. Then came the settlement of the district in the year 1930-1935. Members of the Legislative Council and other representatives of the people protested against the survey, which cost a great deal. The Government at that time were sympathetic, guided by the Hon. Revenue Minister, Sir Norman Marjoribanks they stopped the re-survey. Soon after that, Sir Norman Marjoribanks retired; then they commenced the operation of re-settlement with all vigour possible; the re-settlement was effected in the year 1935.

"This morning I put a question which was answered by the Hon. Minister for Revenue; he told us that the settlement was in force.

"Sir, it is one o'clock; I have to continue my speech for some time. Shall I go on now or after lunch?"

MR. PRESIDENT:—"The hon. Member can go on now."

* MR. J. A. SALDANHA:—"The reply received from the Hon. Minister for Revenue was very unsympathetic.

"At that time the Congress leaders, gentlemen and ladies were crying hoarse with pledges of reduction of land revenue; I also joined the cry. All the same, the rate was fixed high in all cases by increasing the assessment by $12\frac{1}{2}$ per cent. The increase was 60 per cent in the year 1918. All sections of the people made the vehement protests that this increase of the assessment was too much; but the Revenue Settlement Officer and the Collector at that time made the Government believe that South Kanara was a rich and wealthy district, that it was wealthier and richer than Malabar. We felt a lot of amusement at that time, when the Government and the Revenue Settlement Officer fixed the assessment for South Kanara at a higher figure than that for Malabar. Then we waited on deputation on His Excellency the Governor who came to South Kanara in 1932; representatives of the people pointed out to him that the rate for South Kanara was higher than that elsewhere. People in South Kanara are a little more civilized; they are a little more showy; that perhaps left an impression on the Government and Revenue Members that our district was a richer district. At one time, Sir, I had occasion to point out to His Excellency the Governor of the day that he should not be misled

14th December 1938] [Mr. J. A. Saldanha]

by the showy life of the people to believe that our district was richer.

“We expected that at least with the advent of the Congress Government the rate of assessment would be reduced. Promises and declarations were made by the Congress in their manifestos that the reduction of assessment would be given effect to—at that time as I was a Congressman myself, I also joined in making such declarations—and that the settlement of 1935 would be set aside and would not be enforced. I now find that this has not been done. I have found from a printed report—I have not brought it now and I shall show it after luncheon interval—that as a result of this enhancement the assessment has been increased by 3 to 5 lakhs. Is this the result of the new policy of the Government? I would therefore support the reduction of assessment by 33½ per cent as stated in the resolution, because it is a very reasonable one; I do not, however, think that it should be final. I support this resolution as a first and initial step in the direction of revision of the land revenue settlement. I wish also to point out that the reduction should be made in a more scientific manner; and until that is done, I am for supporting this resolution as a preliminary step in the hope that the rate of assessment in my district as well as the other districts would be reduced by 33½ per cent.”

KHAN BAHADUR T. M. MOIDOO SAHIB BAHADUR:—“Sir, in supporting the resolution most wholeheartedly, I beg to bring to the notice of this House that the condition prevailing in Malabar is quite different from that prevailing in all other districts of the Presidency. The land tenure in Malabar has been classified even by successive Collectors and other eminent gentlemen like Mr. Thorne, to be quite different from that in other districts. In Malabar it is the janmis who pay the tax to the Government, and the tenant has nothing to do with the increase or decrease in taxation. The tenant who got a lease of a paddy field, say for 1,000 measures of paddy, will have to pay the janmi according to the then prevailing price; and on the contrary the janmi will have to pay the increased revenue, whether the increase is due to improvements done by him in the case of garden lands or not. The tenant, on the other hand, has got to pay to the janmi the stipulated measures of paddy or an equal amount, whatever he may get out of the field.

“Recently, the Congress Government passed two pieces of legislation, of which one is the Debt Relief Act, which is intended to help the tenants, but did nothing to benefit the janmi. The janmi who actually pays increased taxation is suffering like anything. Now comes the re-settlement or re-survey and the janmi has to meet all the expenses. Instances are not wanting in regard to sales of property by eminent landholders, even Rajas; I may

[T. M. Moidoo Sahib Bahadur] [14th December 1938]

mention here the case of Chirakkal and some other Rajas. Why? Because they get nothing from their tenants. The tenant has got the protection of the tenancy legislation and of the Agriculturists' Relief Act. There is everything for the tenant but nothing for the janmi who pays the actual assessment to the Government. Now, Sir, conditions have become worse; and coming as I do from a family which owns a vast property in Malabar, I can say that no janmi is at present in a position to pay this enhanced assessment. Somehow or other they have to pay this assessment; otherwise their property will be attached. So, Sir, the remission as suggested in this resolution is absolutely necessary. But, I have my own doubts whether the present Government with all the commitments they have undertaken, can do anything substantial in regard to this matter. If, Sir, they cannot reduce it to the extent asked for in the resolution, I humbly request the Government to consider the cases of janmis who are affected by this increased taxation and do something for them, considering the fact that the two pieces of legislation that were referred to by me have done something for the tenants but nothing for the janmis. With these few words, I support the resolution before the House."

* THE HON. SRI T. PRAKASAM:—"Sir, at the outset I may state that the hon. Mover of the resolution did not take the advice given to him by the Hon. the Premier before he actually moved the resolution, not to move it at this juncture. However, he moved it and other hon. Members made speeches in support of the resolution, but only one hon. Member opposed it. It has been pointed out that this Government must be considerate to the ryots and that we should not oppose this resolution, though not in so many words. Sir, if I oppose this resolution, it is not because the Government are not inclined to give any relief to the ryot, it is not because the Government do not realize the condition of the ryot; but the opposition is on the ground that this is not the sort of resolution that should have been moved at this juncture when the Government have been engaged in formulating their revenue policy with a view to place it before the Legislature as early as possible. The question has been asked as to what time it would take to revise the policy and why we should not hurry it up. Sir, to say definitely any time, or our not being able to give the exact time, is not a good thing either for the Government or for the hon. Members of this House. It would be wrong to do so. The revenue policy of the Government in regard to this matter is not a simple matter or a question that would be settled by saying that the reduction should be 33½ per cent. Conditions are changing from year to year, even from month to month; and while we were expecting to formulate the policy and were about to make a statement, unforeseen things have come upon the people of the country and on the Government. Even with regard to the remission of 75 lakhs that was granted

14th December 1938] [Sri T. Prakasam]

last year, we have not been able to settle it up immediately in view of the cyclone and floods on the one hand washing away everything that was made ready, and on the other hand rains having failed and famine conditions having prevailed. So, Sir, the hon. the Mover of the resolution ought to have known the conditions; and if the Government had not been engaged in this direction, certainly there would have been some excuse for moving this resolution. This is not the first time that the Government are making a statement before this House or before the other House; perhaps it has been repeated three or four times before as to what the Government have been doing. But, how to give relief to the ryot whose suffering has been the subject of the most anxious consideration of the Government ever since they came to office; how to give relief to the poor as well as the rich ryot who is in a position to pay, has been pointed out by Dr. Thomas. I said on a previous occasion that having regard to all the conditions, both world depression as well as the economic depression of this country, the question of the fall in prices has been causing a great deal of trouble in the matter of taxation. We have been giving our best consideration to this matter by studying not only the conditions in this Province or the other adjoining Provinces, but also by carefully going into the systems that have been recently adopted in the far-off Punjab. Work has been going on in this respect and persons who are competent to deal with the matter have been dealing with it. Government also, in reply to questions, have been giving out that, as soon as a decision is reached and proposals are formulated, they will be duly placed before the House in the form of a Bill, as we are bound to do under the new constitution. The hon. Mover of this resolution ought to have had some consideration for the Government and should not have pressed for the acceptance of this resolution.

1-15
p.m.

“I submit, Sir, it is not easy for me to give replies to each one of the points raised during the debate and the arguments advanced, because, as I said, every one of these points is being considered in the formulation of the revenue policy of the Government. How am I to give any reply with regard to those points here, without waiting for the results that we are expecting to arrive at in the near future? If I oppose this resolution, it is mainly on the ground that it is impossible to accept it at this stage. This is quite a preliminary point, and the hon. the Mover himself ought to have seen the inadvisability of pressing a resolution like this and putting the Government in a position where it can be stated that, because we oppose this resolution, the Government are opposed to the interests of the ryots. It ought to be clear by this time that one of the very first acts of this Government has been to give as much relief as possible to the suffering ryots; but at the same time particular care should be

[Sri T. Prakasam] [14th December 1938]

taken to see that this Government should not cease to function one morning for want of funds. Both these things go together and both have to be weighed and the conclusion arrived at.

“That is why I do not propose to go into any of the points referred to by the hon. Member, Dr. Thomas. He has generally, stated some points, and all those points have not been mentioned here for the first time. As he has himself pointed out, all suggestions made by him and by other hon. Members on previous occasions have been under consideration, and it has also been stated on the floor of this House that, if necessary, expert advice would be taken on them at the right moment. That is why I say this resolution must be opposed by the Government at this stage. I would request the hon. the Mover, if he pleases, to consider the position again and withdraw his resolution. With the permission of the Prime Minister and of the other Members of the Government, I may say that we have been trying to expedite this matter and come to a final decision as early as possible. It is not a simple thing; it is a very important matter. On that ground alone, I would oppose this resolution and request all of you to give us the necessary help to decide this matter as early as possible. It would not be very long, having regard to the progress that has already been made.

“It was pointed out that because of Prohibition, we will not be able to do this. Prohibition will carry on; without prejudice to Prohibition, we will give effect to any decision that we may come to in regard to this matter, so far as relief to the ryot is concerned. We have no difficulty in regard to that. Such an old problem as this cannot after all be solved in one day. I therefore request the hon. the Mover to withdraw the resolution, if he so likes.”

MR. PRESIDENT:—“Is the hon. Member withdrawing his resolution?”

* SRI RAO BAHADUR N. R. SAMIAPPA MUDALIYAR:—“I have to reply to some of the points referred to, Sir.”

MR. PRESIDENT:—“All right.”

* SRI RAO BAHADUR N. R. SAMIAPPA MUDALIYAR:—“Mr. President, I shall try to be brief in replying to some of the points raised by the hon. Members. The hon. Dr. Thomas seems to think that the Tanjore mirasidars are very well off and that this resolution is intended to better the position of the bigger holdings. Both these points are not correct.

“Before I proceed to deal with them, I may say this: that in the whole Presidency, there are 3,688,118 pattas, of which only

14th December 1938] [Sri N. R. Samiappa Mudaliyar]

921 pattas are paying an assessment of Rs. 1,000 and more. There are 2,286 pattas paying over Rs. 500 and below Rs. 1,000; 7,832 pattas paying over Rs. 250 and below Rs. 500; 35,025 pattas paying over Rs. 100 and below Rs. 250; 847,014 pattas paying over Rs. 50 and below Rs. 100 and 153,768 pattas paying over Rs. 30 and below Rs. 50. I do not know which of the small holdings Dr. Thomas wants to benefit. Anyhow, I shall take pattas which are paying Rs. 30 and less as coming under the category of small holdings. In the whole Presidency, out of 3,688,118 pattas, there are only 284,606 pattas paying Rs. 30 and more and the rest namely, 3,403,512 pattas are paying less than Rs. 30. Therefore, this resolution, if given effect to, will relieve mostly the poor ryots and not only the big ryots, as many of the hon. Members here seem to think.

“ My hon. Friend, Sir Mahomed Usman, has made a speech on this occasion. It seems to me that he could not forget even now that he is not on the Treasury Bench. He was pleased to characterize my resolution as ‘ absolutely irresponsible.’ Sir, it is not my resolution that is absolutely irresponsible; only his characterization of my resolution is absolutely irresponsible; because he never had any occasion to meet the people at large as all his time he was connected with the Government and therefore, he could not understand or appreciate the sufferings of the poor people. He said, Sir, that because Prohibition must be made successful in this Province, this resolution should not be given effect to. What is the use of having Prohibition, Sir, if the ryots are not able to get their food? Sir Mahomed Usman’s speech on this occasion reminds me of a Tamil proverb which is to the following effect: தண்ணி கொடுக்காமல், சோறு போடாமல் உண்ண என் பிள்ளை போல் வளர்ப்பேன். It means, ‘ Without giving you any water or food, I will nourish you like my son.’ If the hon. Sir. Mahomed Usman . . . ”

* KHAN BAHADUR SIR MAHOMED USMAN SAHIB BAHADUR:—“ My hon. Friend forgets that if he does not drink, he will have plenty of money for his food.” (Laughter.)

* SRI RAO BAHADUR N. R. SAMIAPPA MUDALIYAR:—“ All right, Sir, I do not want to dwell any further on that and I shall leave it at that.

“ The Hon. the Minister for Revenue appealed to me to withdraw the resolution. I have no objection to withdraw if even now he gives an indication when exactly the Government will come to a decision on this question. From the very moment this Council was constituted, we are trying to get the Government to formulate a definite policy in respect of this important matter. Time and again, questions have been asked to get a reply that ‘ the

[Sri N. R. Samiappa Mudaliyar] [14th December 1938]

question is under consideration' and even to-day the Hon. the Revenue Minister was not communicative and did not take the House into confidence and tell us when they will come to a definite conclusion. If he is prepared, and if he is kind enough to tell us approximately the time within which the Government would come to a conclusion, I have no objection, Sir, to withdraw this resolution. If not, I am sorry I have to press the resolution."

MR. PRESIDENT:—"Is the hon. Member withdrawing his resolution?"

* SRI RAO BAHADUR N. R. SAMIAPPA MUDALIYAR:—"No, Sir. As the Government are not prepared to agree to decide this question within a fixed time, I am not withdrawing."

MR. PRESIDENT:—"Then I will put the question to the House. The question is that the following resolution be adopted by the House:—

'This Council recommends to the Government that the existing land revenue assessment be reduced by $33\frac{1}{3}$ per cent from fasli 1348 and also to cancel G.O. No 1238, Revenue, dated the 14th July 1933.'

The resolution was put and declared lost.

Rao Bahadur N. R. Samiappa Mudaliyar demanded a poll. A poll was taken and the House divided thus:—

Ayes.

- | | |
|---|---|
| 1 Sri Rao Bahadur N. R. Samiappa Mudaliyar. | 6 C. P. Mammoo Keyi Sahib Bahadur. |
| 2 Sri Diwan Bahadur R. Srinivasan. | 7 Syed Abdul Wahab Bukhari Sahib Bahadur. |
| 3 Khan Bahadur T. M. Moidu Sahib Bahadur. | 8 Sri D. Manjappa Hegde. |
| 4 Munshi Abdul Wahab Sahib Bahadur. | 9 „ M. D. T. Kumaraswami Mudaliyar. |
| 5 Sri Rao Bahadur M. Ramakrishna Reddi. | 10 „ Rao Bahadur M. Raman. |
| | 11 Mr. J. A. Saldanha. |

Noes.

- | | |
|--------------------------------|---------------------------------|
| 1 The Hon. Dr. T. S. S. Rajan. | 9 Sri V. Vasantha Rao. |
| 2 Sri B. Bhima Rao. | 10 „ M. Narayana Rao. |
| 3 „ K. Madhava Menon. | 11 „ M. Narayana Menon. |
| 4 „ V. V. Jogayya Pantulu. | 12 „ L. Subburama Reddi. |
| 5 „ R. Srinivasa Ayyangar. | 13 „ K. Venkataswami Nayudu. |
| 6 „ A. Rangaswami Ayyangar. | 14 „ T. A. Ramalingam Chettiar. |
| 7 „ K. V. Srinivasa Ayyangar. | 15 „ D. Sriramamurti. |
| 8 „ N. Sankara Reddi. | 16 Sri V. Ganga Raju. |

14th December 1938]

Noes—cont.

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| 17 Sri L. Subba Rao. | 25 Khan Bahadur Sir Mahomed Usman Sahib Bahadur. |
| 18 „ P. Veerabhadraswami. | 26 S. K. Ahmed Meeran Sahib Bahadur. |
| 19 „ K. P. Mallikharjunudu. | 27 Dr. P. J. Thomas. |
| 20 „ N. Venkatachalamaji. | 28 Mr. D. M. Reid. |
| 21 „ V. Venkatapunnayya. | 29 The Rt. Hon. V. S. Srinivasa Sastri. |
| 22 „ C. Perumalswami Reddiyar. | |
| 23 „ K. S. Sivasubrahmanya Ayyar. | |
| 24 „ S. K. Satagopa Mudaliyar. | |

(While the counting was going on)

SRI L. SUBBA RAO:—“ May I know whether neutrals have been recorded.”

MR. PRESIDENT:—“ It is too late now.”

The result of the poll is as follows:—

Ayes: 11 Noes: 29.

The resolution was lost.

The Council then adjourned to meet again at 11 a.m. on the 27th January 1939.

வாய்மையே வெல்லும்
TRUTH ALONE TRIUMPHS